

§ 250.1

17 CFR Ch. II (4-1-10 Edition)

with the respective rule numbers of Regulation U.

ATTENTION ELECTRONIC FILERS

THIS REGULATION SHOULD BE READ IN CONJUNCTION WITH REGULATION S-T (PART 232 OF THIS CHAPTER), WHICH GOVERNS THE PREPARATION AND SUBMISSION OF DOCUMENTS IN ELECTRONIC FORMAT. MANY PROVISIONS RELATING TO THE PREPARATION AND SUBMISSION OF DOCUMENTS IN PAPER FORMAT CONTAINED IN THIS REGULATION ARE SUPERSEDED BY THE PROVISIONS OF REGULATION S-T FOR DOCUMENTS REQUIRED TO BE FILED IN ELECTRONIC FORMAT.

REGISTRATION AND GENERAL EXEMPTIONS

§ 250.1 Registration.

(a) *Notification of registration.* Notifications of registration pursuant to section 5(a) of the act (49 Stat. 812; 15 U.S.C. 79(e)) shall be filed on Form U-5A.

(b) *Registration statement.* Every registered holding company and person registering as a company proposing to become a holding company, shall file with the Commission a registration statement on Form U-5B within 90 days after becoming a registered holding company.

(c) *Annual report.* Every registered holding company shall file, on or before the first of May in the year following that in which it filed its registration statement, and in every succeeding year, an annual report on Form U5S (§259.5s of this chapter): *Provided, however,* That where any holding company system includes more than one registered holding company, the annual report shall be filed by the top registered holding company in such system and shall be signed on behalf of each registered holding company in such system by the authorized officer of each such registered holding company.

[Rule U, 6 FR 2015, Apr. 19, 1941, as amended at 16 FR 2576, Mar. 21, 1951; 37 FR 1472, Jan. 29, 1972; 61 FR 49961, Sept. 24, 1996]

§ 250.2 Exemption of holding companies which are intrastate or predominantly operating companies.

(a) *General provisions.* Any holding company, and every subsidiary com-

pany thereof as such, shall, upon the filing of an exemption statement on Form U-3A-2 and subject to the filing of such exemption statement on or before March 1 of each year thereafter, and subject to the provisions of Rule U-6, be exempt from all the provisions of the act and rules thereunder, except section 9(a)(2) of the act, if:

(1) Such holding company, and every subsidiary company thereof which is a public utility company from which such holding company derives, directly or indirectly, any material part of its income, are predominantly intrastate in character and carry on their business substantially in a single State in which such holding company and every such subsidiary company thereof are organized; or

(2) Such holding company is predominantly a public utility company whose operations as such do not extend beyond the State in which it is organized and States contiguous thereto.

(b) *Exception.* Unless otherwise required by the Commission, a holding company which is a subsidiary of a registered holding company need file only the initial statement on Form U-3A-2.

[Rule U, 6 FR 2015, Apr. 19, 1941, as amended at 10 FR 15412, Dec. 29, 1945]

§ 250.3 Exemption of certain banks.

(a) *General exemption.* Subject to the provisions of §250.6 and to the requirements contained in paragraph (c) of this section, any bank shall be exempt from any obligation, duty, or liability imposed by the act upon such bank as a holding company solely by reason of such bank owning, controlling, or holding with power to vote any securities of any public-utility or holding company which the bank:

(1) Holds as collateral for a bona fide debt; or

(2) Holds in the ordinary course of its business as a fiduciary; or

(3) Has acquired solely for purposes of liquidation in connection with a bona fide debt previously contracted and has owned beneficially for a period of not more than two years.

(b) *Exemptions from section 9(a)(2).* Subject to the requirements contained in paragraph (c) of this section, any bank shall be exempt from section

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9(a)(2) of the act with respect to the acquisition of any securities by such bank:

(1) As collateral for a bona fide debt; or

(2) Solely for purposes of liquidation in connection with a bona fide debt previously contracted; or

(3) In the ordinary course of its business as fiduciary; or

(4) Which is not a voting security or convertible into a voting security.

(c) *Statements.* Any bank claiming exemptions pursuant to the provisions of this section shall file a statement on Form U-3A3-1 (§259.403 of this chapter) within 30 days after the last day of February of each year. No such statement is required, however, with respect to any security holdings as to which such form is inapplicable by its provisions.

(d) *Definition of bank.* The term “bank”, as used in this section, means any company primarily engaged in business as a commercial bank or trust company, or both, and subject to regulation or examination under the laws of the United States or of any State, or any receiver, conservator, or liquidating agent thereof in his capacity as such.

[16 FR 253, Jan. 10, 1951]

§ 250.4 Exemption of certain brokers, dealers and underwriters.

(a) *General exemption.* Subject to the provision of §250.6, any broker, dealer or underwriter, as defined in paragraph (c) of this section, shall be exempt from any obligation, duty, or liability imposed by the act upon such person as a holding company, solely by reason of such person owning, controlling, or holding with power to vote any securities of any public utility or holding company which are:

(1) Not beneficially owned by such persons and are subject to any voting instructions which may be given by customers or their assigns; or

(2) Acquired within 12 months in the ordinary course of business as a broker, dealer or underwriter with the bona fide intention of effecting distribution of the specific securities so acquired.

(b) *Exemption from section 9(a)(2).* Any broker, dealer or underwriter, as defined in paragraph (c) of this section

shall be exempt from section 9(a)(2) of the act (49 Stat. 817; 15 U.S.C. 79i) with respect to the acquisition of any securities for the account of customers, or in connection with any underwriting entered into with the intention of effecting immediate distribution of such securities.

(c) *Definition of broker, dealer or underwriter.* As used in this section, the terms “broker” or “dealer” have the meaning set forth in sections 3(a)(4) and (a)(5) of the Securities Exchange Act of 1934 (48 Stat. 882; 15 U.S.C. 78c), and the term “underwriter” means any underwriter as defined in section 2(11) of the Securities Act of 1933 (48 Stat. 74, 905; 15 U.S.C. 77b) who is regularly engaged in business as such and is not a registered holding company.

§ 250.5 Exemption of certain foreign holding companies.

Any holding company not organized under the laws of any State of the United States or the District of Columbia, and owning no utility assets located within any State of the United States or the District of Columbia and having no subsidiaries or affiliates owning any assets so located, shall, subject to the provisions of §250.6, be exempt from all the provisions of the act and rules thereunder: *Provided*, That such exemption shall not be applicable to any acquisition of utility assets located within any State of the United States or the District of Columbia or of any security of any company owning such assets or having any subsidiary owning such assets, if, as a result of such acquisition of securities, the acquiring company will become an affiliate of the issuer, except an issuer within any class specified in §250.10(a).

§ 250.6 Termination of exemptions.

If it appears to the Commission (on the basis of statements claiming exemption or otherwise) that a substantial question of law or fact exists as to whether any holding company claiming exemption under §250.2, §250.3, §250.4, §250.5, or §250.10 or any other section now or hereafter in force pursuant to section 3(a) of the Act exempting any class of holding companies from the registration requirements of the act, is within the exemption afforded by any